



BUSINESS REPORT

Date: **3rd July 2024**

Business Reference: **35820**

About the Business:

Specialist importer and supplier of industrial products in the energy sector

The company specializes in the import, sales and supply of selected industrial products associated within the energy sector, to both wholesale and retail markets. Because they are a direct importer from carefully selected overseas suppliers, they are able to offer their clients quality products at competitive prices. They pride themselves on years of experience and industry knowledge in the supply of these products to the

Specialist importer and supplier of industrial products in the energy sector



Sector: **Services**

Asking Price:

R 8,000,000

Monthly Profit:

R 662,335

Asset Value:

R 945,210

Stock Value:

R 17,000,000

Yearly Net Profit :

R 7,948,018



Business Report

Fully describe the business's activities?

The company specializes in the import, sales and supply of selected industrial products associated within the energy sector to both wholesale and retail markets. Because they are a direct importer from carefully selected overseas suppliers, they can offer their clients quality products at competitive prices. They pride themselves on years of experience and industry knowledge in the supply of these products to the construction, plumbing, and home-building industries.etc." They supply their products all over SA and across borders.

How does the business operate on a daily basis?

Orders are taken by sales staff and these are despatched to clients from a large warehouse where their very substantial stock is housed. There is a shop and trade counter attached to the warehouse from where the public can purchase goods.

What Advertising/Marketing is carried out?

All platforms of social media
Website
Radio
Lots of referrals

What competition exists?

Other importers, however their range is far superior to competitors and they are the "goto" shop.

How could the profitability of the business be improved?

By the employment of a second representative.
By further expansion of the range of product
By opening a second branch in Cape Town or further afield.

Give a breakdown of staff/ functions/ length of service?

A full list is on file

Do any have management potential?

Management is already in place. There are candidates with potential.

How involved is the Owner in running the business?

Oversees - all imports.

Stays in close contact with all suppliers

Maintains a close watch over daily activities but can be away for extended periods when the business is in the hands of competent management.

When does the current lease end?

The owner owns the properties and will become the landlord

What are the trading hours?

Monday to Thursday 8.00am to 4.30pm

Friday 8.00am to 3.00pm

What are the main assets of the business?

A full list is available

Strengths?

Excellent stable suppliers

Knowledgeable staff

Quality management team

Excellent range of products

Excellent stock holding with a good stock analysing control system.

Weaknesses?

There are no perceived weaknesses

Opportunities?

Growth in development
Increased range of product
Expansion into a second branch

Threats?

Always competition but they are well established in the market.

What is the reason for the sale?

Owner wishes to take earlyish retirement to enjoy the fruits of his labour and to pursue other interests such as travel and the possibility of immigration..